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Cullom, Shelby Moore

Cullom on sound money

[Washington]

[1896]

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CULLOM ON SOUND MONEY.

HONEST COINAGE.

SPEECH

OF

HON. SHELBY M. CULLOM.

OF ILLINOIS,

In the Senate of the United States, Washington, D. C., June 1, 1896.

Mr. CULLOM said:

Mr. President: While I do not question the motive which prompted the introduction of the bill to prohibit the issuance of interest-bearing bonds, yet I must confess that I am surprised that, under the circumstances, it should receive serious favorable consideration in this body. No one on this floor deplores more than I do the issue of interest-bearing obligations by this Government in time of peace and the piling up of debt at the rate of \$100,000,000 per year. But does any Senator imagine that the causes which made the issue of bonds necessary, and which may require further issues, can be removed by simply passing a bill prohibiting it? The consequences of the passage of the bill, if it shall become a law, to my mind, are so far-reaching as to be simply appalling.

WANTING IN COMMON HONESTY.

Mr. President, in my opinion, it would be the undoing of all that has been accomplished and built up since the passage of the resumption act in 1875. It would mean the repudiation of our obligations. Its tendency would be to place this country at once upon a silver basis, whatever that may mean. It would seriously endanger every business concern in the country which has weathered thus far the terrible financial storm that has prevailed during the last three years. It would throw out of employment hundreds of thousands of laboring men and women who have begun to hope that the dawn of brighter days is at hand. It is wholly wanting in common honesty, and would forever be a blot upon the page of American history.

Mr. President, I agree with what the distinguished Senator from Ohio [Mr. Sherman] said a few days ago. I do not suppose any Senator believes this bill will become a law. The Executive should never be deprived of the power given him by the act of January 14, 1875, which authorized his Secretary of the Treasury to "issue, sell, and dispose of, at not less than par in coin, either of the descriptions of bonds of the United States described in the act of July 14, 1870," unless upon the passage of another act giving the President and Secretary power to maintain the reserve and also to borrow money to meet any emergency on better terms.

SHOULD GUARD AGAINST NATIONAL DISHONOR.

We have, during the present Administration, been confronted with an emergency which, in the judgment of the Executive, required the exercise of the authority vested in him by the act above quoted. And whatever money the President and the Secretary of the Treasury may have raised by the sale of bonds (whether judiciously raised or not) is not seriously claimed to have been unlawfully obtained. I have my own views as to the wisdom of the Executive action, but there is no doubt whatever of the lawful power of the President of the United States, with the Secretary of the Treasury, to sell or to provide for the sale of such evidences of indebtedness as they may deem necessary to effectuate the lawful policy of the Government. Mr. President, I shall be the last man to join in any trifling crusade against the official and personal integrity of the President. No Government should fail to guard against national dishonor. The United States cannot afford to permit such a condition of things as even to hazard or jeopardize its credit or its financial honor.

PROTECT THE NATIONAL HONOR.

General Grant, the great soldier and statesman, said in his first message, March 4, 1869:

"To protect the national honor, every dollar of Government indebtedness should be paid in gold unless otherwise stipulated in the contract. That no repudiator of one farthing of our public debt will be trusted in public place."

Such has always been the spirit and determination of the people. It is now proposed by this bill to prohibit the President from borrowing a dollar, no matter what may happen or what calamity may come upon the country. It is not only wrong, but it is a crime against the honor, security, and prosperity of the nation. While the nation was struggling in civil war and groaning under the vast burdens of debt no word was ever officially uttered which had even the semblance of repudiation, and never was an attempt made to take away from the President the lawful power to make loans to protect the nation's credit. When General Grant uttered the words quoted gold was at a premium of 38 per cent., as compared with paper money, and the interest on Government bonds was 6 per cent. The total interest-bearing debt was then \$2,162,000,000, but the policy of the nation was sound money, a protective tariff, and sufficient revenue. Under that policy the people prospered. We were not so great a nation then as we are now. Our popula-

tion was about 38,000,000, as against 72,000,000 to-day. Then the value of our personal and real property was about \$30,000,000,000. In value this has increased until it now approximates \$70,000,000,000. The injunction is still as imperative to be honest and maintain our integrity and credit as it has ever been.

But, Mr. President, it is not my purpose to discuss the bond bill at length, as it will not become a law. I desire to discuss briefly the financial or monetary question.

AN INTERNATIONAL AGREEMENT HOPED FOR.

The financial exigencies of this country and the necessary relationship which exists between the monetary systems of the United States and of the other civilized nations of the world have of late years given rise to the hope of an international agreement in regard to coinage and coin values. The money metals all over the world are gold and silver, and nearly all the civilized nations are producers, in a greater or less degree, of these metals. The commerce of the world, under the stimulating influences of steam transportation, electric communication, and other modern facilities, has been so modified in its character, and the conditions affecting it have so radically changed in a few years, that any intelligent consideration of the commercial problem must include new factors and new influences.

Our own territorial growth, unexampled as it has been, ought to demonstrate to us that other nations have grown, too. Our prosperity should remind us that other countries may prosper, too. What we, with our growth, intelligence, enterprise, and push, may have had yesterday is to-day possessed by Australia, India, Argentina, and even South Africa. Our Kansas City, Omaha, St. Paul, Minneapolis, Denver, and Leadville have their counterparts in Melbourne, Bombay, Buenos Ayres, Johannesburg, and Kimberley. The discovery of precious metals in California and Colorado was but a precursor of similar discoveries in localities but recently emerged from barbaric control in the South Sea Islands and in Africa.

VIGOROUS COMPETITORS OF THE UNITED STATES.

So to-day we find that these comparatively new colonies and countries are vigorous competitors of the United States not only in their agricultural productions, but in valuable mineral products as well. The competition which has already met our wheat growers, from the great new wheat fields of South America, as well as from Siberia and the Black Sea provinces of Russia, has made itself painfully felt. Our exports of domestic wheat (wheat and flour), which reached 225,000,000 bushels in 1892, have fallen off largely each year until in 1895 only 144,000,000 bushels were exported, thus showing a reduction of over 80,000,000 bushels in our annual wheat exports in a four-year period. The vast production of petroleum in southern Russia has operated very greatly to the disadvantage of American producers. The increased production and importation of foreign wool has caused a specific and unfavorable effect upon the wool producers of the United States.

TRADE RELATIONS ARE CONSTANTLY CHANGING.

I cite these examples merely to show the extensive and constantly changing relations between distant countries, and the consequent changes in their trade and in their staple and important products. Commerce in the leading productions of these countries instantly responds to these variations and fluctuations, and is injured or benefited as the case may be. The laws of coinage in Australia or in Russia, or the extension or limitation of gold or silver circulation in other remote countries, may have either a beneficial or an injurious effect upon the most important commercial interests of the United States.

RULE OR RUIN OF COMMERCE.

I do not propose to take the time necessary to detail how certainly and how absolutely these distant and apparently distinct influences may rule or ruin the commerce of the United States. But I shall assume without question that the important interests of the world's trade and of international commerce are so affected by the operation of distant and distinct governmental policies that the necessity already exists for a harmonious international arrangement in monetary affairs. The world's production of precious metals and the world's coinage of the same have become important integers which cannot be overlooked in any study or discussion of the economic conditions surrounding any country of the world. Even now we cannot say that the stoppage or the increase of the metallic circulation in any one of the smaller nations may not, or will not, affect for good or bad the mercantile interests of the United States.

VASTLY INCREASED PRODUCTION OF SILVER.

The phenomenal fact that the world's production of silver, which had remained about stationary at thirty or forty million dollars annually for nearly a century, has of late vastly increased—and last year reached the wondrous sum of two hundred and sixteen millions—must necessarily produce some signal effects upon the varied interests of the newer commercial world to which it would be mere presumption now to predict. But it does seem to me that the only competent authority to consider the grave conditions newly created by reason of this phenomenal addition to the world's silver supply must be composed of representatives of the nations of the world. No one nation can determine the policy which shall be adopted by all, or for itself, without considering the policy of the others. There have been several monetary commissions created, and monetary conferences charged with the duty of arranging proper regulations to meet the exigencies existing at the various times in which they were called together.

TIME FOR AN INTERNATIONAL AGREEMENT.

But the present seems to be the most appropriate time to press to a conclusion and to an ultimate agreement between the great commercial and monetary nations the decision as to the wisest ratio between gold and silver

to be made universal over the world. The reason for this urgency at the present time is the fact I have recited of the enormous production of silver which is forcing its way into the world's supply. Trade relations, as well as the conditions of domestic or internal trade, have been rudely interfered with by the injection into the supply of visible coinage material of two hundred and sixteen millions of silver per year. If this new average of supply shall become constant, or even continue for merely a few years, it must be provided for and looked after.

PRODUCTION OF GOLD AND SILVER.

To illustrate the existing conditions, I will here present in tabular form some facts regarding the production of gold and silver in the world. First, a table showing the production of gold and silver in the world from 1873 to 1894, inclusive; second, a table showing the amount of gold and silver annually coined in the world during the same period; third, a table showing the product of gold and silver in the United States from 1845 to 1894; fourth, a table showing the coinage of the United States mints from 1841 to 1895; and fifth, a table showing the amount of money in the United States—gold, silver, notes, etc.—and the circulation per capita annually from 1872 to 1895, inclusive:

Production of gold and silver in the world for the calendar years 1873-1894.

Year.	Gold.		Silver.		
	Fine ounces.	Value.	Fine ounces.	Commercial value.	Coining value
1873.....	4,653,075	\$96,290,000	63,267,187	\$82,120,800	\$81,800,000
1874.....	4,200,031	90,750,000	55,309,781	70,674,400	71,500,000
1875.....	4,716,563	97,500,000	62,261,719	77,578,100	80,500,000
1876.....	5,016,488	103,700,000	67,753,125	78,322,600	87,600,000
1877.....	5,512,196	113,947,200	62,679,910	75,278,600	81,040,700
1878.....	5,761,114	119,092,800	73,335,451	81,540,000	94,882,200
1879.....	5,262,174	108,778,800	74,383,495	83,532,700	96,172,000
1880.....	5,148,880	106,436,500	74,795,273	85,640,600	96,705,000
1881.....	4,983,742	103,023,100	79,020,872	89,925,700	102,168,400
1882.....	4,934,086	101,906,600	86,472,091	98,232,300	111,802,300
1883.....	4,614,568	95,392,000	89,175,023	98,984,300	115,297,000
1884.....	4,921,169	101,729,600	81,567,801	90,785,000	105,401,400
1885.....	5,245,572	108,435,600	91,609,959	97,518,800	118,445,200
1886.....	5,135,679	106,163,900	93,297,290	92,793,500	120,026,800
1887.....	5,116,861	105,774,900	96,123,586	94,081,000	124,281,600
1888.....	5,339,775	110,196,800	108,327,696	102,185,900	140,706,400
1889.....	5,973,790	123,489,200	120,213,611	112,414,100	155,427,700
1890.....	5,749,306	118,848,700	126,095,062	131,937,000	163,032,000
1891.....	6,320,194	130,650,000	137,170,919	135,900,200	177,352,300
1892.....	7,102,180	146,815,100	153,151,762	133,404,400	198,014,400
1893.....	7,608,787	157,287,600	166,092,047	139,551,800	214,745,300
1894.....	5,737,788	180,626,100	167,752,561	106,522,900	216,892,200
Total.	122,235,638	2,526,834,900	2,130,397,137	2,151,474,700	2,754,452,900

COINAGE OF THE WORLD FOR 22 YEARS.

Coinage of gold and silver of the mints of the world for the calendar years 1873-1894.

Calendar year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Coining value.
1873	12,462,890	\$257,630,802	101,741,421	\$131,544,464
1874	6,538,279	135,778,387	9,310,875	102,711,232
1875	8,430,802	195,387,428	92,727,118	123,016,407
1876	10,309,945	213,119,278	97,899,525	126,577,164
1877	9,753,196	201,616,466	88,449,796	114,355,932
1878	9,113,202	188,386,611	124,671,87	161,101,913
1879	4,390,167	90,752,811	81,124,555	104,888,313
1880	7,242,611	149,725,081	65,442,074	81,611,974
1881	7,111,864	147,015,275	83,839,051	108,010,086
1882	4,822,551	99,697,170	85,685,900	11,785,934
1883	5,071,882	104,845,114	84,541,904	109,306,705
1884	4,810,061	99,439,796	74,120,197	95,832,084
1885	4,632,273	95,757,582	98,044,475	126,764,574
1886	4,578,310	94,442,070	96,566,810	124,554,101
1887	6,046,510	124,962,465	12,388,502	16,411,397
1888	6,522,346	134,822,855	104,354,000	134,222,344
1889	8,170,611	165,901,519	107,788,256	139,262,595
1890	7,219,725	149,244,965	117,786,223	152,293,144
1891	5,782,463	115,354,122	106,962,045	135,294,367
1892	7,243,387	149,244,965	120,262,947	157,347,347
1893	11,243,342	232,420,517	106,697,782	137,562,690
1894	11,025,680	227,921,032	87,472,523	115,095,788
Total	164,702,527	\$3,401,703,469	2,131,920,010	\$2,756,423,015

INCREASE OF AMERICAN PRODUCTION.

Product of gold and silver from mines in the United States, 1873 to 1894.

Calendar year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Coining value.
1845	48,778	\$1,008,327	38,672	\$56,103
1846	55,216	1,139,357	38,672	50,524
1847	43,009	889,085	38,672	50,524
1848	483,750	10,000,000	38,672	50,524
1849	1,935,000	40,000,000	38,672	50,524
1850	2,418,750	50,000,000	38,672	50,524
1851	2,660,625	55,000,000	38,672	50,524
1852	2,902,500	60,000,000	38,672	50,524
1853	3,144,375	65,000,000	38,672	50,524
1854	2,902,500	60,000,000	38,672	50,524
1855	2,902,500	60,000,000	38,672	50,524
1856	2,660,625	55,000,000	38,672	50,524
1857	2,660,625	55,000,000	38,672	50,524
1858	2,419,000	50,000,000	38,672	50,524
1859	2,419,000	50,000,000	38,672	50,524
1860	2,419,000	50,000,000	38,672	50,524
1861	2,419,000	50,000,000	38,672	50,524
1862	2,419,000	50,000,000	38,672	50,524
1863	2,419,000	50,000,000	38,672	50,524
1864	2,419,000	50,000,000	38,672	50,524
1865	2,419,000	50,000,000	38,672	50,524
1866	2,419,000	50,000,000	38,672	50,524
1867	2,419,000	50,000,000	38,672	50,524
1868	2,419,000	50,000,000	38,672	50,524
1869	2,419,000	50,000,000	38,672	50,524
1870	2,419,000	50,000,000	38,672	50,524
1871	2,419,000	50,000,000	38,672	50,524
1872	2,419,000	50,000,000	38,672	50,524
1873	2,419,000	50,000,000	38,672	50,524
1874	2,419,000	50,000,000	38,672	50,524
1875	2,419,000	50,000,000	38,672	50,524
1876	2,419,000	50,000,000	38,672	50,524
1877	2,419,000	50,000,000	38,672	50,524
1878	2,419,000	50,000,000	38,672	50,524
1879	2,419,000	50,000,000	38,672	50,524
1880	2,419,000	50,000,000	38,672	50,524
1881	2,419,000	50,000,000	38,672	50,524
1882	2,419,000	50,000,000	38,672	50,524
1883	2,419,000	50,000,000	38,672	50,524
1884	2,419,000	50,000,000	38,672	50,524
1885	2,419,000	50,000,000	38,672	50,524
1886	2,419,000	50,000,000	38,672	50,524
1887	2,419,000	50,000,000	38,672	50,524
1888	2,419,000	50,000,000	38,672	50,524
1889	2,419,000	50,000,000	38,672	50,524
1890	2,419,000	50,000,000	38,672	50,524
1891	2,419,000	50,000,000	38,672	50,524
1892	2,419,000	50,000,000	38,672	50,524
1893	2,419,000	50,000,000	38,672	50,524
1894	2,419,000	50,000,000	38,672	50,524

Product of gold and silver from mines in United States, 1845 to 1894.—Cont'd.

Calendar Year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Coining Value.
1877	2,368,788	\$46,940,000	30,783,000	\$36,970,000
1878	2,476,800	51,200,000	34,960,000	40,270,000
1879	1,881,787	38,900,000	31,550,000	35,430,000
1880	1,741,600	36,000,000	30,320,000	34,720,000
1881	1,678,612	34,700,000	33,260,000	37,550,000
1882	1,572,187	32,500,000	36,200,000	41,120,000
1883	1,451,250	30,000,000	35,730,000	39,600,000
1884	1,489,950	30,800,000	37,800,000	42,070,000
1885	1,538,325	31,800,000	39,910,000	42,500,000
1886	1,693,125	35,000,000	39,440,000	39,230,000
1887	1,596,375	33,000,000	41,260,000	40,410,000
1888	1,604,841	33,175,000	45,780,000	45,020,000
1889	1,587,000	32,800,000	50,000,000	46,750,000
1890	1,588,880	32,840,000	54,500,000	57,225,000
1891	1,604,840	33,175,000	58,330,000	57,630,000
1892	1,596,375	33,000,000	63,600,000	55,563,000
1893	1,739,323	35,955,000	60,000,000	46,800,000
1894	1,910,813	39,500,000	49,500,000	31,422,000

HOW MUCH WE HAVE COINED.

Coinage of the United States mints from 1841 to 1895.

[From the Report of the Director of the Mint.]

Calendar Year.	Total Coinage.			
	Gold.	Silver.	Minor.	Total.
1841	\$1,091,857.50	\$1,132,760.00	\$15,973.67	\$2,240,581.17
1842	1,829,407.50	2,332,750.00	23,833.90	4,185,991.40
1843	8,108,797.50	3,834,750.00	24,283.20	11,967,830.70
1844	5,427,670.00	2,235,850.00	23,987.52	7,687,507.52
1845	3,756,447.50	1,873,200.00	38,948.04	5,668,595.54
1846	4,034,177.50	2,558,580.00	41,208.00	6,633,965.50
1847	20,202,325.00	2,374,450.00	61,836.69	22,638,611.69
1848	3,775,512.50	2,040,050.00	64,157.99	5,879,720.49
1849	9,007,761.50	2,114,950.00	41,984.32	11,164,695.82
1850	31,981,738.50	1,866,100.00	44,467.50	33,892,306.00
1851	50,834,492.50	714,397.00	42,633.00	51,591,522.50
1852	56,846,187.50	999,410.00	50,630.54	57,896,228.44
1853	39,377,099.00	9,077,571.00	67,059.78	48,522,529.78
1854	29,915,962.50	8,619,270.00	42,638.35	34,577,870.85
1855	29,387,968.00	8,501,245.00	16,030.79	32,905,243.79
1856	36,857,768.50	5,142,240.00	27,106.78	42,027,115.28
1857	32,214,040.00	5,478,760.00	17,810.46	37,750,610.46
1858	28,838,413.50	8,495,370.00	246,000.00	31,679,783.50
1859	14,780,570.00	3,284,450.00	364,000.00	18,429,020.00
1860	23,473,654.00	2,259,390.00	205,660.00	25,938,704.00
1861	81,365,530.00	3,783,740.00	101,000.00	85,250,270.00
1862	20,875,997.50	1,252,516.50	22,400.00	22,150,914.00
1863	22,445,482.00	809,267.80	498,400.00	23,753,149.80
1864	20,081,415.00	609,917.10	926,687.14	21,618,019.24
1865	28,295,107.50	691,005.00	968,552.86	29,954,665.36
1866	31,435,945.00	982,409.25	1,042,900.00	33,461,314.25
1867	28,828,625.00	808,876.25	1,819,610.00	26,567,411.25
1868	18,971,375.50	1,054,343.00	1,667,150.00	21,692,868.50
1869	17,592,187.50	1,266,143.00	963,000.00	19,821,330.50
1870	28,198,787.50	1,378,255.00	350,325.00	24,927,368.00
1871	21,022,685.00	3,104,038.00	99,390.00	24,226,613.00
1872	21,812,645.00	2,504,488.50	369,390.00	24,686,513.50
1873	57,022,747.50	4,024,727.00	379,455.00	61,426,930.00
1874	46,851,770.00	3,274,630.00	442,450.00	47,568,850.00
1875	39,251,940.00	1,347,593.00	246,870.00	40,846,403.00
1876	45,579,452.50	2,503,307.50	210,800.00	48,293,560.00
1877	43,999,864.00	28,393,045.50	8,325.00	72,401,434.50
1878	49,786,052.00	28,518,850.00	58,186.50	78,363,088.50

Coinage of the United States mints from 1841 to 1895—Continued.

Calendar year.	Total Coinage.			
	Gold.	Silver.	Minor.	Total.
1879.....	\$39,080,080.00	\$27,569,776.00	\$165,003.00	\$66,814,859.00
1880.....	62,308,279.00	27,411,093.75	391,395.95	90,111,368.70
1881.....	96,850,890.00	27,940,163.75	428,151.75	125,219,205.50
1882.....	65,887,685.00	27,973,132.00	960,400.00	94,821,217.00
1883.....	29,241,990.00	29,246,968.45	1,004,770.41	60,493,728.86
1884.....	23,991,756.50	28,534,809.15	796,483.78	53,323,106.43
1885.....	27,773,012.50	28,362,176.25	191,622.04	56,326,810.79
1886.....	28,945,512.00	32,086,709.80	343,186.10	61,375,438.00
1887.....	23,972,383.00	35,191,081.49	1,215,686.26	60,379,150.66
1888.....	31,380,808.00	33,025,606.45	912,200.78	65,318,615.23
1889.....	21,413,931.00	35,496,683.15	1,283,408.49	58,194,022.64
1890.....	20,467,182.50	39,202,908.25	1,384,792.14	61,054,882.84
1891.....	29,222,005.00	27,818,856.00	1,312,441.00	58,053,302.00
1892.....	34,787,292.50	12,641,078.00	961,480.42	48,389,780.92
1893.....	56,997,020.00	8,802,797.30	1,134,921.70	66,934,749.00
1894.....	79,546,160.00	9,200,350.85	438,177.92	89,184,688.77
1895.....	59,616,357.50	5,608,010.25	882,450.56	66,106,798.31

Gold and silver, United States notes, etc., in United States Treasury and in circulation, from 1872 to 1895, inclusive.

July 1—	In Treasury.		Circulation.			Population June 1.
	Money.	Certificates.	Money.	Certificates.	Total.	
1872.....	\$24,412,016.....	\$738,309,549.....	\$738,309,549.....	\$18,190,596,000.....	\$18,190,596,000.....	18,190,596,000
1873.....	\$4,078,801.....	\$215,000.....	\$215,000.....	\$18,041,677,000.....	\$18,041,677,000.....	18,041,677,000
1874.....	\$7,941,750.....	\$75,000.....	\$75,000.....	\$18,134,796,000.....	\$18,134,796,000.....	18,134,796,000
1875.....	\$12,141,562.....	\$445,000.....	\$445,000.....	\$17,463,951,000.....	\$17,463,951,000.....	17,463,951,000
1876.....	\$5,638,896.....	\$275,000.....	\$275,000.....	\$16,124,517,000.....	\$16,124,517,000.....	16,124,517,000
1877.....	\$4,563,964.....	\$1,135,000.....	\$1,135,000.....	\$15,584,353,000.....	\$15,584,353,000.....	15,584,353,000
1878.....	\$106,910,422.....	\$2,025,520.....	\$2,025,520.....	\$15,324,568,000.....	\$15,324,568,000.....	15,324,568,000
1879.....	\$20,058,398.....	\$3,636,850.....	\$3,636,850.....	\$14,631,792.....	\$14,631,792.....	14,631,792
1880.....	\$24,196,568.....	\$6,885,401.....	\$6,885,401.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1881.....	\$21,874,503.....	\$12,354,201.....	\$12,354,201.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1882.....	\$307,887,580.....	\$1,073,720.....	\$1,073,720.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1883.....	\$387,676,705.....	\$3,883,415.....	\$3,883,415.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1884.....	\$243,087,520.....	\$3,825,700.....	\$3,825,700.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1885.....	\$302,710,611.....	\$2,164,110.....	\$2,164,110.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1886.....	\$91,117,849.....	\$3,241,320.....	\$3,241,320.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1887.....	\$57,987,016.....	\$3,996,513.....	\$3,996,513.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1888.....	\$65,789,464.....	\$9,910,615.....	\$9,910,615.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1889.....	\$69,551,558.....	\$2,632,504.....	\$2,632,504.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1890.....	\$96,649,256.....	\$1,215,633.....	\$1,215,633.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1891.....	\$79,755,789.....	\$1,807,579.....	\$1,807,579.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1892.....	\$50,211,165.....	\$1,041,149.....	\$1,041,149.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1893.....	\$20,478,491.....	\$2,222,656.....	\$2,222,656.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1894.....	\$49,120,255.....	\$10,505,818.....	\$10,505,818.....	\$14,586,866.....	\$14,586,866.....	14,586,866
1895.....	\$86,928,734.....	\$7,710,213.....	\$7,710,213.....	\$14,586,866.....	\$14,586,866.....	14,586,866

It may be claimed that there is apparently no immediate prospect of an international agreement. That may be true, but it is likewise true that the tremendous increase in silver production everywhere has only recently begun to be noticed and its new relation to be understood. Who would have supposed in 1865-66, when the world was moving along quietly and with apparent regularity, and had been for many years producing perhaps forty millions of silver per year, that the world should to-day be piling up five times that amount?

DECLINE IN VALUE BECAUSE OF INCREASED SUPPLY.

Who could have supposed that in six years, from 1888 to 1894, the world should have increased its already enormous production of one hundred and eighteen millions to two hundred and sixteen millions of silver in a single year? No economist ever imagined such a condition. It was wholly unprecedented; yet judging by the more recent yield, it is possibly only the stepping-stone to the yield of coming years. When the fact is understood that we are possibly to have a constant and increasing addition to the world's silver, without any similarly increasing demand for it, either as money or as a commodity, it is apparent that its value has become and must continue subject to the inflexible laws of trade, like any other commodity. It must decline in market value under such increased supply. Its quotations must fluctuate with the fluctuations of supply and demand like coal, like iron, and other products. Upon no consistent basis can any fixed ratio be established by the United States alone between silver and gold under such circumstances.

WORLD'S RATIOS AND VALUES.

The ratio in 1873 was 16 to 1; in 1893 it was 32 to 1. In 1873 it required 16 ounces of silver to purchase 1 ounce of gold. In 1893 it required 32 ounces of silver to buy the same ounce of gold. These are not merely the prices and ratios of the United States, but they are the world's ratios and the world's values. The United States did not establish them, and who will contend that the United States can change them, except in a slight degree? Suppose for a moment that free and unlimited coinage of silver in the United States had continued from 1873 down to the present. What now would be the situation? The United States have coined in the twenty-one years following 1873, and including that year, approximately, five hundred and twenty millions of silver. According to the contention of the silver producers, if the coinage had been free during this period we ought to have coined more than double this sum, or perhaps one thousand to twice hundred millions of dollars. But with only the five hundred millions coined we find the value has declined so that a dollar is intrinsically worth about 50 cents. What would have been the depreciation if the coinage had been so doubled? No man can tell; but would it be unreasonable to suppose that the silver dollar would have been worth no more than 35 to 40 cents? Probably not. But, say our friends, the coinage of it into standard dollars would have fixed its value. The coinage of silver or gold or the stamping of paper may declare its nominal value, but that does not establish its intrinsic value if the world does not recognize it or if commerce will not have it so. Mexican dollars and the coins of many other countries have time out of mind been used in the traffic and trans-

actions of other nations, but they have almost always been treated as a mere commodity, worth just so much as commerce had determined, and were shoveled or weighed or counted out at their commercial worth only.

LAWS CONCERNING MONEY VALUES.

The great and omnipotent commercial public of the world makes its own laws concerning money values and determines for itself what is a just standard or measure of value, regardless of the dictum of any political congress or parliament. In view of the immense addition to the silver output to which I have called attention, and of the disturbing influence which such addition necessarily causes, I feel sure that the great commercial nations will be compelled to devise means to adjust our monetary relations so as to be just alike to the producers of silver and to determine a proper ratio by which all shall abide.

But let no man flatter himself that a determination of the great economic problem will ever be arrived at under the teachings of the empirics who vie with each other in the effort by legislation to put the dollar stamp on a half-dollar's worth of silver in any single country.

CAN DO BETTER THAN EXPLOIT INTANGIBLE THEORIES.

In our local and municipal conventions, in the political caucuses, and on the partisan platform we see men settling this great question by insisting that the United States shall adopt free coinage regardless of the course of other nations.

The supply of silver in the world and the commercial demand for silver being what determines its value practically, it is only just that all commercial nations shall participate in establishing an international ratio, giving silver an international value equivalent to and interchangeable for a certain amount of gold between all concurring nations. If we shall devote our surplus eloquence and overflowing patriotism to securing that result we shall do far better than in exploiting intangible theories.

HISTORY OF INTERNATIONAL CONFERENCES.

Let us look a little into the history of the several international monetary conferences. The first one met at Paris, June 17, 1867. It was called by the invitation of the French Government. The United States of America and 18 of the European countries participated. They were unanimous in expression against a single silver standard, and with the exception of the Netherlands, were unanimous in favor of a single gold standard. I may say, in passing, that very many of the countries engaged in the conference have had the silver standard. None of the countries participating took action toward establishing the suggestions of the commission, and although the French Government was given the power to reconvene the conference, it never exercised that power.

The second international monetary conference was called by the President of the United States in accordance with an act of Congress of February 28, 1878, and met at Paris, August 17, 1878. Twelve countries were represented,

the United States representatives being Reuben E. Fenton, of New York; W. S. Groesbeck, of Ohio; Francis A. Walker, of Connecticut; and S. Dana Horton. The substance of the opinions of the members was: First, that the monetary function of silver as well as of gold should be preserved in the world, but that the choice of one or both should be governed by the special situation of each group of states; second, that the restriction of silver coinage should be discretionary with each state or group; third, that existing differences of opinion prevented the adoption of a common ratio between the two metals. The conference adjourned August 20.

The third international monetary conference was called in 1881 by the joint action of France and the United States to establish a system for the use of silver and gold as bimetallic money, with a relative settled value between the two metals. Thirteen countries were represented. The United States representatives were William M. Evarts, of New York; Allen G. Thurman, of Ohio, and Timothy O. Howe, of Wisconsin. This conference closed by adjourning to April 12, 1882, but it was never reconvened.

CONCISE AND COMPREHENSIVE INSTRUCTIONS.

The fourth international monetary conference was called by the United States, and met at Brussels, November 22, 1892. The delegates from this country were William B. Allison, John P. Jones, James B. McCreary, Henry W. Cannon, E. Benjamin Andrews, and Edwin H. Terrell. The instructions which were given by President Harrison, through Secretary of State John W. Foster, were so concise and comprehensive that I deem them worthy of introduction here, as representing in apt language the true theory to be adopted by the United States upon the coinage question.

"Department of State, Washington, November 10, 1892.

"The main purpose which this Government seeks to accomplish by this conference is to bring about a stable relation between gold and silver.

"It is the opinion of the President, and, as he believes, of the people of the United States, with singular unanimity, that a full use of silver as a coined metal at a ratio to gold to be fixed by an agreement between the great commercial nations of the world would very highly promote the prosperity of all the people of all the countries of the world. For this reason your first and most important duty—"

This is addressed to the delegates—

"will be to secure, if possible, an agreement between the chief commercial countries of the world looking to international bimetalism—that is, the unlimited coinage of gold and silver into money of full debt-paying power at a fixed ratio in coinage common to all the agreeing powers.

"You should not lose sight of the fact that no arrangement will be acceptable to the people or satisfactory to the Government of the United States which would by any possibility place this country on a silver basis while European countries maintain the gold standard.

"Failing to secure international bimetalism, the next important duty will be to secure, if possible, some action upon the part of European countries looking to a larger use of silver as currency, in order to put an end to the further depreciation of that metal. * * *

JOHN W. FOSTER."

It seems to me that that letter, signed by the Secretary of State, at that time John W. Foster, but written, I imagine, by the President of the United States, states the truth as near as it can be stated by anybody; and it states what in my judgment is the only safe position which our country can occupy upon this question.

THE NATIONS WILL SETTLE IT.

I desire to say here that I should hail and will hail any settlement of this question that will not take our Government out of the position it has occupied and make it purely a monometallic silver country, driving out the gold. And in my opinion the time is near at hand when this Government and other commercial nations with which we are dealing will be able to settle this question so that the silver interests of this country and silver as a money metal will be cared for and will be placed, probably, as I hope, on a par with gold. But I insist that by any other course than an international agreement between ourselves and other great commercial nations it would be a dangerous experiment for this Government to undertake the free coinage of silver.

TRUE BASIS OF BIMETALLISM.

The instructions which I have read present, as I have said, the true basis of bimetallism, and in my judgment indicate the only solution which can ever be reached satisfactory to most of the great nations of the world and in the interest of the people of the United States. For the United States alone to declare for free coinage would be ineffective, except to the great injury of our own people. This country, great and powerful as it is, populated by an intelligent and enterprising people, is not the controller nor the autocrat of the monetary world. Our wishes and desires may all be right and proper, but our present power does not justify us in establishing an exclusive monetary system which shall invite the antagonism of twenty or thirty other nations, nearly all of which are greater or lesser contributors to the trade we now enjoy.

Mr. President, what the nations need is an international conference and agreement as to the use of silver, fixing the ratio, and then opening the mints for free coinage upon the ratio to be agreed upon. Every year and month and day makes it clearer to me that such a conference is sure to come, and I believe very soon. What a relief to the situation in this and other nations if this vexed, troublesome, and vastly important question could be settled—settled in harmony with the interest of silver as a money and in harmony with the best interests of the people of this and all the nations.

INTERNATIONAL CONCURRENCE WILL SETTLE THE ISSUE.

I may say here that in talking with a certain silver Senator, if I may so designate him, he intimated to me that he would be willing to fix the ratio at 32 to 1. I do not know whether the silver men generally would agree to such a ratio. But whatever ratio the principal nations will agree to, whether it is 15½ to 1 or 16 to 1, or 20 to 1, will be entirely satisfactory to me, because

if those nations make such an agreement, in my judgment it will probably bring the commercial value of silver up to par with gold. But without such an agreement it would be utterly futile, in my judgment, for us to undertake it with any expectation that it would increase the price of silver very materially for one single nation to do so.

WHAT THE GREAT PARTIES HAVE SAID.

The great political parties in their national conventions have expressed themselves strongly in favor of the determination of the relative values of gold and silver by international action.

The Republican party said at Minneapolis in 1892:

"We commend the wise and patriotic steps already taken by our Government to secure an international conference to adopt such measures as will insure a parity of value between gold and silver for use as money throughout the world."

That resolution is sound. We there took the position four years ago in favor of an international conference for the purpose of fixing a ratio which would insure a parity of value between gold and silver.

The Democratic party said at Chicago in 1892:

"We hold to the use of both gold and silver as the standard money of the country and to the coinage of both gold and silver without discrimination against either metal, or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the parity of the two metals."

I am not sure but that the Democratic platform on that question four years ago was a little better than the Republican platform, because in addition to their favoring an international agreement for the adjustment of the exchangeable values of these two metals, they used the words "but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value." The word "intrinsic" is not a part of the Republican platform.

WHAT THE POPULISTS SAID IN 1892.

The Populist party, calling itself "the People's Party," said at Omaha in 1892:

"We demand the free and unlimited coinage of silver and gold at the present ratio of 16 to 1."

The Populist party also said:

"We demand that the amount of circulating medium be speedily increased to not less than \$50 per capita."

This latter enunciation of the principles of the party, which has been somewhat in evidence for a few years, would seem to be its own most certain antidote.

WHAT "SOUND MONEY" MEANS.

I hear a good many men say that "sound money" is a mere phrase; that it does not mean anything; that anybody can use the expression and still be

entirely in order. But there is a definition of it which it seems to me means something. The best and most appropriate definition of the term "sound money" as applied to metallic coinage is to be found in the words of one of the most distinguished international bimetallicists of the world, Henry Cursch, as follows:

"It is by the ordeal of fire that money can be tried. The coins which, being melted down, retain their entire value for which they were legal tender before they were melted down are good money. Those which do not retain it are not good money."

Expressing it in other words, he says:

"Good money consists of coin which is worth as much after it is melted as it purports to be worth in coin."

Edward Atkinson says:

"Bad money can only be circulated by force. Good money requires no force. Everybody is glad to get it. Money made of gold, or its representative, convertible or redeemable in gold, is the world's standard or unit of value."

"There must be a final ultimate standard or unit or coin by which all other forms or types of money—silver, nickel, copper, or paper—must be rated. All such subsidiary types of what is sometimes called money, sometimes called currency, sometimes instruments of exchange, can only be kept in circulation at a parity with the unit or standard by positive, absolute redemption or payment therein. If the law gives an employer the power to force bad money upon workmen and does not give the workman an easy and ready means of converting that bad money instantly into good money, that workman will be cheated."

"The pretext is that the coinage of silver dollars at 16 to 1 should be as free as the coinage of gold dollars, and that, by itself, can be agreed to. Coinage is nothing but the manufacture of round disks of metal stamped and certified. There is no danger in free coinage. The danger lies in the efforts of these supporters of free coinage at 16 to 1 to force cheap 50-cent dollars upon the community by an act of legal tender. The moment anyone offers to any of these people to agree to free coinage without an act of force or legal tender by which they may compel uninformed people to accept these dollars, they immediately give up their case; they will not accept free-silver-dollar coinage without the power to force them upon the people."

SILVER LEGISLATION HAS BEEN DISAPPOINTING.

Mr. President, both the act of 1878 and the act of 1890—the one called the Bland-Allison Act, the other the Sherman Act—were passed by Congress in response to a demand for free and unlimited coinage of silver by a portion of the people and as a compromise between the friends of free coinage and those opposed to such action. When the Sherman Act of 1890 was passed it was alleged and believed by the friends of free coinage that the effect of the act would be to send the price of silver up to about par with gold. The price of silver did increase for a time, but soon began to decline again, and for some time the commercial value of a dollar of 412½ grains of silver has been only about 50 cents in gold. The effect upon silver by the passage of the acts of 1878 and 1890, especially the latter act, has been very disappointing; to the so-called silver men and somewhat to all who supported it. I myself supported it. It did not have the effect upon the price of silver that was expected, and instead of satisfying the special champions and friends

of silver it has only made them more aggressive in favor of the free and unlimited coinage of silver at the ratio of 16 to 1, and at the same time embarrassed still more the financial situation.

The solution of the difficulties so apparent can only be reached by concerted international action—by the establishment of international bimetallicism.

GENUINE BIMETALLISM IS NOT FREE COINAGE.

It is claimed by a recent writer that none of the recognized defenders of international bimetallicism have ever declared in favor of free coinage by the United States alone. Gen. F. A. Walker, a most eminent exponent, has declared distinctly his opinion that free coinage by this country alone would delay, if it did not prevent, adoption of an international agreement establishing a par of exchange between the gold and silver using countries.

As to our former legislation he says:

"Our coinage of two millions a month under the Bland-Allison Act of 1878 was directly against the interests of bimetallicism, while our purchase of four millions five hundred thousand ounces of silver bullion a month under the Sherman Act of 1890 was an even worse strategic blunder."

Balfour says:

"If it be possible by international arrangement to establish a joint standard throughout the world, it would not be open to the objection which a single standard is open to."

Barbour says:

"No final or satisfactory settlement of the currency question is possible except by an international agreement."

Houldsworth says:

"It is an international question. It is the duty of Her Majesty's Government to negotiate without delay with other nations."

Professor Foxwell says:

"Bimetallicism is new and involves international agreement, the question of valuation as well as the question of ratio. These matters cannot be settled by isolated action. We shall never settle the monetary difficulty without international action."

The Bimetallic League:

"The aim of the Bimetallic League is to secure by international agreement the opening of the mints of the leading commercial nations to the unrestricted coinage of gold and silver at such a fixed ratio as may be mutually agreed upon amongst those nations."

"No settlement is, however, in our opinion, possible without international action. The remedy we suggest is essentially international in its character, and its details must be settled in concert with the other powers."

THE DISPARITY TOO GREAT.

Mr. President, it seems to be apparent that after the failure of the effort on the part of the Government to hold silver at a parity with gold by the two acts referred to (under which 450,000,000 ounces of silver were purchased between the years 1877 and September 30, 1893) everybody should be convinced that it would be futile to venture upon free coinage on the basis of

6 to 1, and place it by the side of the gold dollar. The disparity between the two metals is too great. The consequences of such action by the Government would inevitably result in the disappearance of gold. The United States would at once approach a silver basis, uncertain and changing from day to day, with the fluctuations of silver.

The total estimated metallic stock in the United States on July 1, 1885, according to the last report of the Secretary of the Treasury, was gold \$330,000,000, and silver \$624,000,000, in round numbers. By this statement it will be seen that there is no great difference between the amount of gold and silver in use in the country. The United States, considering the great depression in silver, has dealt fairly with the white metal, showing great reluctance to give up either.

I am in favor of using all the silver as coin we can, and we may be able to use even more than we are now using, but the question of the standard should be settled. We should not depart from the gold standard until we can have the co-operation of other great commercial nations and an agreement as to the ratio for the free and unlimited coinage of silver for all the nations.

The Treasury Department shows that on April 1, 1896, there was in the Treasury of the United States six hundred and ninety-five millions of all kinds of money—gold, silver, paper, and minor coins. On the same day there was in circulation \$1,528,000,000. Assuming that at that time the population of the United States numbered 71,000,000, we had in circulation \$21.53 per capita. The statistics also show that in 1872 our per capita money circulation averaged \$18.19; in 1873, \$18.04; in 1874, 1.13; in 1878, \$15.32; in 1890, \$22.32, and in 1892, \$24.44. So that the per capita circulation has not varied to any great extent for many years. The variation in the amount of our circulation has been largely produced by the fluctuation in the amount in the Treasury vaults.

WAS ALWAYS MONEY TO SPARE.

Mr. President, since 1872 we have had good times and we have had hard times. Neither the one nor the other, it is plain to me, has been produced by the changes in our per capita circulation. This leads me to the real cause which brought about, first, good times, and next, hard times. Under Republican rule we had a protective tariff, and not so much disturbance in the financial system as of late. There was always money to spare in the Treasury; we had a revenue system that yielded it, and there was no fear ever manifested of a bankrupt Treasury. Under the change of Administration and policy there has been a continual state of anxiety in the minds of the people engaged in any kind of business. With a well-adjusted protective tariff system the depressed and embarrassed condition of the people of the Government would very soon be greatly relieved, but even with a proper tariff law the situation demands that our monetary system must be settled, so that the world may know that we mean to be honest with ourselves and with the rest of mankind. But, Mr. President, I do not intend to discuss the tariff question to-day, further than to say that without a wise protective tariff in this country we will have hard times whatever we may do in relation to our monetary system.

The creditors of the people of the country and of the Government itself have perhaps justly questioned even the good faith of the nation in meeting its obligations.

"THE CRIME OF 1873."

A recent editorial article in the Chicago Tribune describes the situation thus:

"Those who 'demand' the free coinage of silver at the ratio of 16 to 1, or 50 cents to the 100-cent dollar, assert that the fall in the commercial value of silver was due to 'the crime of 1873,' which forbade the coinage of silver dollars when none was being coined, nor had been for many years. They have nothing to say about the action taken by Germany prior to 1873, when that nation stopped silver coinage and adopted the gold standard. And they never mention the fact of France and the Latin Union following Germany's example two or three years later.

"They are silent about these limitations in countries numbering 130,000,000 enterprising people, or more than twice the population of this country at the last census. They have not reviled Holland, Scandinavia, and Austria-Hungary for adopting the gold standard—enterprising countries containing nearly 60,000,000 people. They are not abusing Russia, with her 120,000,000 people, for putting her currency on a gold-standard basis. They seem to think that what 300,000,000 Europeans have done cuts no figure in the case of silver, and that the 'future of silver' depends solely on the fiat of the American Congress for the 16 to 1 ratio or 50-cent dollar.

"The chief cause of the immense cheapening of silver since 1875-76 is not legislation, either that of Europe or of America or both taken together. The principal effective cause is overproduction of silver in proportion to the demand for it. The mines have turned out more of that metal than the world needed or was able to use for coinage and other purposes, and as an inevitable consequence the price went down.

"The commercial world has always determined the relative value of the precious metals to suit itself. It has never paid any attention to statutory ratios of any nation, but has exercised its own judgment as to values, just the same as it does about copper, iron, wheat, corn, and cotton. If the production of silver were to stop that metal would gradually become scarcer. The old stock would be consumed, so to speak, and the commercial world, without waiting for a law, would rate it at a higher value every year after a cessation of its extraction from the mines."

WOULD BANKRUPT THE COUNTRY.

In an address delivered before the Trans-Mississippi Commercial Congress at St. Louis, Mo., November 27, 1894, by the Hon. George E. Leighton, the following statement is made, showing by contrast the results which would follow the establishment, respectively, of the legal-tender free coinage of gold and the legal-tender free coinage of silver. Mr. Leighton says:

"An act of Congress to make legal tender the gold coin of any country, or every country on the face of the earth, at rates established according to their actual weight and fineness as compared with the 25 $\frac{1}{2}$ grain standard dollar of the United States would not produce a ripple of disturbance in the commercial world. Not a sovereign, or franc, or mark, or florin, or peso, would come or go, except in the normal flow created in the settlement of international balances. There would be no movement, simply because the coin would have no more value in one place than another.

"To pass an act to resolve the silver coin of the world as legal tender at the rates established according to weight and fineness, according to our false 412 $\frac{1}{2}$ -grain dollar, would bankrupt the country, as it would mean taking the world's silver at double its present value. Does this not prove that the position is inconsistent and untenable?"

In my opinion the substantial correctness of this position cannot be controverted. One of these metals is the nearly universal standard, with a determinate intrinsic value, by which is measured the value of the productions of the world, while the other has but a transitory and uncertain value, dependent upon demand and supply, and contingent upon prosperity or adversity among the people. It matters not what silver was twenty years ago. It does not in any way bear upon the issue to say that before 1873 silver possessed certain attributes as a measure of values. It does not possess them now. A great change occurred. The fact exists, and governments deal only with existing facts. It cannot take cognizance of obsolete and abandoned conditions. Lamentations over a change which occurred nearly a generation ago, resulting in which to-day is part of the settled coinage policy of nine-tenths of the civilized world, are wholly fruitless and unavailing.

RETIREMENT OF SILVER BY GREAT NATIONS.

Silver as a standard currency was retired in Germany in 1871, suspended in Belgium, France, Holland, Denmark, Sweden, Norway, and the United States in 1873, and in Italy and the Dutch Colonies in 1875, and in many other countries before and since 1873. With silver possessing the value it now bears the return of any single country to a legal-tender silver standard would imperil not only its commercial interests, but its very position among nations.

NOT A SECRET CRIME.

I desire to notice a few of the unfounded assertions which constantly pass current as part of the literature of the free-coinage, legal-tender advocates. It has been widely asserted that by the act of 1873 silver was secretly demonetized. An examination of the Congressional Globe of that session discloses the fact that the discussion upon the bill covers 140 columns of the Globe, and that the bill was printed more than a dozen times during its progress through Congress. In addition to the discussion of its general provisions, the matter of the omission of the silver dollar from the authorized coinage of the country was freely discussed in the House of Representatives by such members as the distinguished Republican, William D. Kelley, the distinguished Democrat, Clarkson N. Potter, with W. L. Stoughton and Samuel Hooper. Mr. Kelley said:

"It is impossible to retain the double standard. * * * All experience has shown that you must have one standard coin."

Mr. Potter said:

"This bill provides for substituting as legal tender coin of only one metal instead, as heretofore, of two. I think myself that this would be a wise provision, and that legal-tender coins, except subsidiary coins, should be gold alone."

Mr. Stoughton said:

"Gold is practically the standard of value among all civilized nations, and the time has come in this country when the gold dollar should be distinctly declared to be the coin representative of the money unit."

Mr. Hooper said:

"The committee, after careful consideration, concluded that 25 $\frac{1}{2}$ grains of standard gold, constituting the gold dollar, should be declared the money unit or metallic representative of the dollar of account."

It was also discussed and amended in the Senate. This law of 1873 was not rushed secretly through without consideration. It was enacted in the same manner in which all laws are enacted, and yet, although it is claimed to have injured silver, it is a fact that the average annual coinage of silver for twenty years following "the crime of 1873" was more than ten times the annual average for the forty years prior to that year. The Government has gone out of its way to favor silver and has as a special favor stored away in its vaults some \$350,000,000, for which it gives circulation to a representative paper certificate which passes for money.

DEPRECIATION DUE TO INCREASE IN PRODUCTION.

Mr. President, the argument, or rather the assertion, that the act of 1873 has brought about the reduction in the price of silver is gratuitous. The depreciation in silver is due largely to the increase in production, not only in the United States, but over the whole world. I do not believe that by any logical argument or true statement of conditions can it be shown that the law of 1873 reduced the commercial value of silver materially. On the contrary, if free and unlimited coinage had been given its full effect the amount rushed through the mints would probably have brought down the price of silver much sooner, and to a lower point than it has yet reached, because those nations at that time had nearly all demonetized silver, to use the ordinary expression, so that if we had continued the free and unlimited coinage of silver, without regulation as to the admission of foreign bullion, we would have been overwhelmed with silver.

NATURAL AND COMMERCIAL CAUSES.

Why not give to well-known natural and commercial causes the credit or the blame for the fluctuation in silver value instead of charging it to legislation of 1873? Why, at the time that law was enacted one would hardly see a silver dollar in circulation in a month's travel. Silver, except in the smaller coins, was practically out of use. In the next four years, 1874 to 1877, inclusive, there were no silver dollars coined. But what was coined? Did silver lose anything? Not a farthing. On the contrary, in those four years there was coined \$21,500,000 in half-dollars and \$15,300,000 in quarter-dollars, or a total of over \$36,800,000 in silver. This was an average of over \$9,200,000 a year in silver half and quarter-dollars, being a greater quantity of silver than had ever been coined into similar silver pieces in any four years either before or since 1873.

And so, Mr. President, on applying the touchstone of simple fact to the wholesale creations of the imagination which have been woven about this subject they vanish like a breath.

ASSERTION CANNOT BE SUBSTANTIATED.

Let us look at another claim. It is constantly asserted that our trade demands an increase of circulating medium. The political scientists who met in Omaha in 1892 and nominated Mr. Weaver for President, seriously demanded that the circulating medium should be rapidly increased "to not less than \$50 per capita."

In point of fact the amount of money in actual circulation in the United States has never been less than \$22 per capita since 1881. It has fluctuated between \$22 and \$25 during that time. And at this present time, counting the money in the Treasury in the computation, we have per capita of money in the country about \$34. No other country in the world exceeds this, or anywhere nearly equals it, except France, which has about \$36 per capita. It is not necessary here to discuss the reason why France should slightly exceed the United States in amount of money per capita. It is sufficient to answer the insistence that we have too little money in circulation by saying that it is a mere assertion, incapable of substantiation. The average circulating medium in thirty countries of the world is less than \$13 per capita. France excepted, the United States stands at the head and has more than twice as much money per capita as the average nation of the world.

This fact ought to settle the contention without further argument, as the figures are taken from the statistical reports of the officials of the United States.

MEET MONETARY QUESTION WITH COURAGE.

Mr. President, in the remarks I have made I have sought to give my views dispassionately on the subject in the hope that we may, guided by history, observation, and reason, arrive at a proper final decision in the interest of the general welfare of the people of this country. The monetary question presses itself upon the attention of the country. Let us meet it with courage and do right. We cannot permit the free and unlimited coinage of silver at 16 to 1 if we look to the interest of the people of the United States, except as the result of an international agreement for such coinage by the leading commercial nations. With such agreement we can. We cannot depart from the gold standard with safety until such international agreement is made. I believe the time will soon come when a conference of the nations will be held and by which the silver question will be settled by fixing a ratio for its use as a money metal and for opening the mints for its free coinage. I hope for it, and look for it.

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